

Investments in Gurgaon Double to Over \$1 Billion

Sobia.Khan@timesgroup.com

Bengaluru: Investors across real estate segments — residential, commercial and land — are rushing into Gurgaon which saw large sales across financing and land acquisitions in excess of \$1 billion, double that of 2015.

Last year, Gurgaon market attracted around \$500 million in investments as investors were in a wait-and-watch mode towards outlook and an expected recovery. Land accounted for 42.55 of the total investment pie, followed by residential assets at 42.1%, though a bulk of it is through refinance, and core assets or rented office property bringing up the rear at 15.3% estimates CBRE South Asia.

“Owing to its cosmopolitan status and conducive environment, Gurgaon continues to evince active interest from real estate funds, local and international developers as well as corporates. It has always been the investment gateway to NCR due to its critical mass in real estate development and existing social infrastructure,” said Gaurav Kumar, managing director of capital markets at CBRE South Asia.

Gurgaon commands a lion’s share of office leasing in the NCR region driving significant institutional interest

as well as investment commitments to capture the growth wave of increasing lease rents and high sale prices.

Some of the large transaction in Gurgaon includes M3M acquiring 180 acres from Sahara Group for \$180 mn for a residential project. Tata Realty and Infra acquired a 25-acre IT SEZ zoned land parcel from M3M abutting Sector 58 near Golf Course Extension for \$60mn. RMZ/QIA purchased a 730,000sqft IT Park from BPTP located along the Delhi-Gurgaon expressway in Udyog Vihar for \$180mn.

“Gurgaon is the potential market for office spaces in north India and assumes a prominent position in RMZ acquisition strategy. We have already acquired a marquee asset from BPTP which we have christened RMZ Infinity, Gurgaon. We are exploring both greenfield and brownfield developments as a way of expanding our presence in north India, which we hope to take up to at least 5 mn sq ft over the next three years in this Gurgaon micro market of NCR.,” said Arshdeep Sethi, MD - Development of RMZ Corp.

“We foresee constraints on new office supply side, opening up tremendous opportunities to capture significant market share. Even valuations in the recent couple of years, especially in residential, have been depressed,” he said.

<http://economictimes.indiatimes.com/wealth/real-estate/investments-in-gurgaon-double-to-over-1-billion/articleshow/55214162.cms>

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